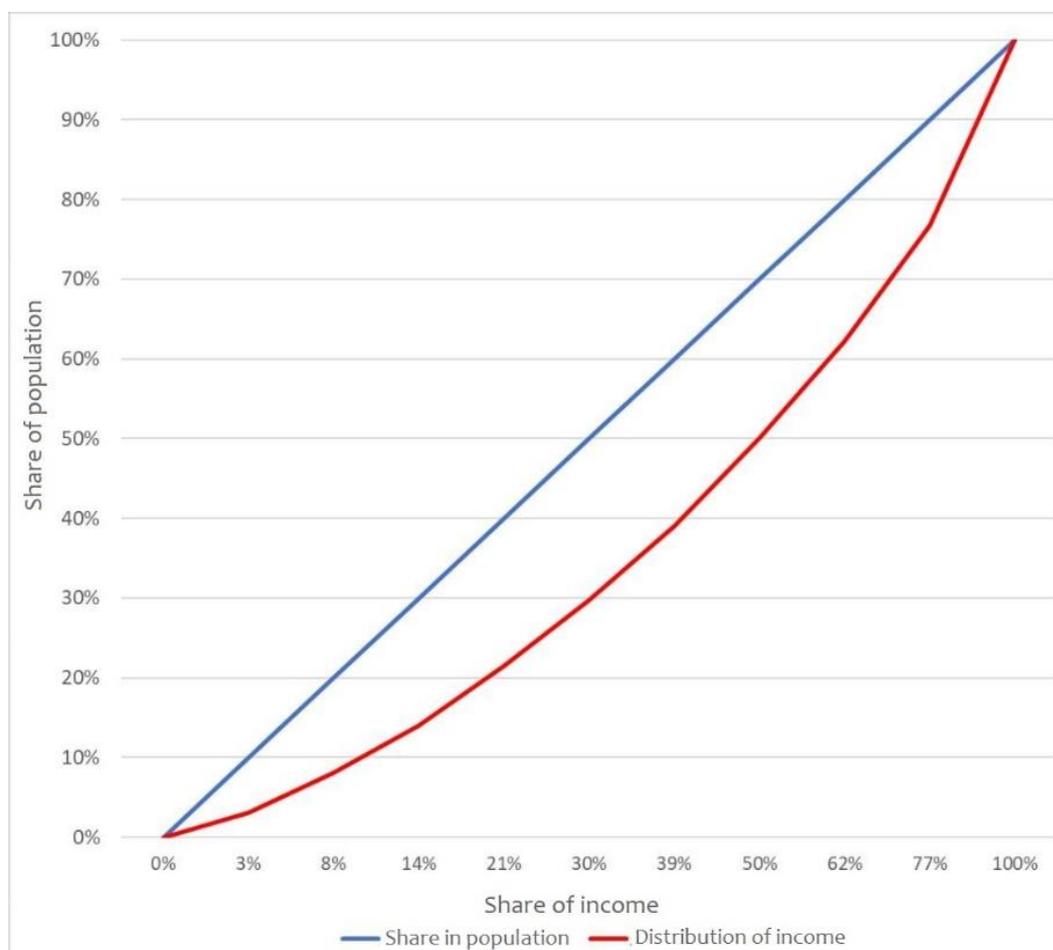


## In Hungary, income differences have not decreased since 2010

According to the Hungarian Central Statistical Office (HCSO), the concentration of incomes among Hungarian households practically did not change in the past 10 years, despite rapid economic growth. In 2019 (similarly to 2010) the wealthiest 10 per cent accounted for almost a quarter (23 per cent) of total household incomes, whereas 30 per cent of the population 50 per cent. The share of households in the lowest tenth of the scale amounted to only 3 per cent of the total, and those belonging to the lower 30 per cent 14 per cent. With the dynamic GDP growth of the past decade, the Hungarian government's family policy and the various programs of the EU to promote economic convergence, these inequalities were expected to diminish. **This did not happen.** Data show that income differences were only further conserved. The situation is **even worse** since **those getting rich the fastest are only partially represented in the statistics** (e.g., incomes realised offshore).

Income inequality in Hungary, by income brackets (in tenths), 2019



Note: The bigger the distance of the red line from the blue one, the larger the inequality is.  
 Source: GKI calculation based on HCSO data.



This also means that even at the peak of the economic recovery cycle, more than 2 million Hungarians obtained income less than the minimum per capita subsistence level of HUF 101 thousand per month<sup>1</sup> (or families with one child, HUF 81 thousand per month)<sup>2</sup>. Since 2010, nominally wages have increased by almost 100 per cent, but pensions only by 33 per cent and social benefits have not changed at all. Social benefits are pegged to the minimum pensions, which currently total HUF 28,500, the same amount as in 2010. This implies that those in the most vulnerable position, such as pensioners and people in need for social care, are lagging further behind the rest. They are the biggest losers of the government's concept and vision of "work-based society" and most of them are falling further down on the income ladder, even after 40 to 50 years spent in labour relation.

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<sup>1</sup>: <https://policyagenda.hu/elemezsek/tarsadalom/2020/letminimum-2019-elozetes-adatok/attachment/letminimum-es-tarsadalmi-minimum-elozetes-adatok-2019/#.YAbCvuhKiUk>  
(Subsistence minimum calculations of Policy Agenda.)

<sup>2</sup> <https://policyagenda.hu/elemezsek/tarsadalom/2020/letminimum-2019-elozetes-adatok/attachment/letminimum-es-tarsadalmi-minimum-elozetes-adatok-2019/#.YAbCvuhKiUk>  
(Subsistence minimum calculations of Policy Agenda.)